

Prescription drug programs for seniors

In an effort to keep important medication available to our senior population, nine drug companies have announced voluntary discount programs for Medicare-eligible patients with low to moderate incomes. Eligible subscribers to these programs can receive brand-name prescriptions at a 20 to 40 percent discount or with affordable co-pays of just \$12 to \$15.

Toll-free phone numbers are provided below, so you can find out if you qualify or want to learn more about these programs.



INSIDE

- Protecting rural health care
- Affordable prescriptions
- Get your property tax breaks

GlaxoSmithKline Orange Card

Phone: 888-ORANGE6

Pfizer Share Card

Phone: 800-717-6005

Novartis CareCard

Phone: 866-974-CARE

Lilly LillyAnswers Card

Phone: 877-RX-LILLY

Together Rx

(Abbott Laboratories, AstraZeneca, Aventis, Bristol-Myers Squibb, GlaxoSmithKline, Johnson & Johnson and Novartis.)

Phone: 800-865-7211

I'd like to hear from you!

If you have questions or concerns about any of the issues we're addressing in Olympia, please drop me a line or give me a call. I'd like to hear from you!

Rep. Cathy McMorris

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Rep. *Cathy*
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PO Box 40600
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Rep. *Cathy* McMorris A Report to 7th District Seniors



Information you should know from Olympia

Spring 2003

Dear friends and neighbors,

Lawmakers are making some important decisions in the final days of the 2003 legislative session. At the top of the list is our effort to bridge a \$2.6 billion budget gap without raising taxes. It's not going to be easy, but Republicans in the House are committed to creating a responsible, sustainable budget that protects important programs for seniors, such as health care services in our rural communities.

This newsletter provides an update on a number of issues you should be aware of as we work toward concluding the session. I hope you will watch for our progress on these matters and contact me with your questions and concerns.

It's honor to be serving you
in Olympia.

Sincerely,

Cathy McMorris
State Representative



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Protecting health care services for our rural communities

Rural health care providers in northeastern Washington are struggling to keep their doors open. Local hospitals and nursing homes in Tonasket, Davenport, Odessa, Republic, Newport and Omak are facing dire financial circumstances. An increase in required insurance paperwork, escalating legal liability and administrative costs, and inadequate payments from Medicare and Medicaid are putting these care providers, rural hospitals and nursing homes on the brink of bankruptcy.

It's unrealistic to expect these rural facilities to absorb huge reductions in payments for their care of our parents and grandparents. These hospitals and long-term care facilities are serving a critical need

in our communities. Their beds are full. If they're forced to close their doors, it's unlikely we will get them back, and people will have to take family members to facilities several hours from home for care.

I've arranged meetings between the health care administrators from these communities and the budget writers here in Olympia to explain to them how desperate this situation is. Health care dollars are scarce in this coming budget cycle and costs are rising. We want lawmakers to recognize how families in rural communities are going to be impacted if we lose these health care services.

Medical malpractice crisis Is your doctor the next to leave?

The skyrocketing cost of medical malpractice insurance is also putting the squeeze on rural health care providers. Rising legal costs, driven by a dramatic rise in the size of jury awards, have made liability insurance premiums rise dramatically. Many professional liability insurers have stopped underwriting coverage for Washington physicians and hospitals.

Five years ago, the annual premium for a family physician not delivering babies and not performing surgery was \$7,547. By last year, the premium had increased 29 percent, to \$9,768. If physicians practiced obstetrics, their annual premium was as high as \$37,449.

The results are predictable. At least one Newport surgeon closed his practice, citing escalating medical malpractice costs as a key factor. The chief of staff at Mid-Valley Hospital in Omak said they stopped delivering babies for the same reason. We're finding it hard to protect the health care services for families in these communities, and it's even harder to recruit new physicians to come here. It's reaching a crisis, and something needs to be done to help our health care providers.

I'm working on bipartisan legislation to implement legal reforms that will reduce costs and ensure all Washington families maintain access to their doctors and health care providers.



PROPERTY TAX DEFERRALS

If you are 60 years of age or retired because of physical disability, and your disposable income is \$34,000 or less, you may qualify for property tax deferrals. The state allows property tax deferrals on up to 80 percent of the equity in your home. The deferral program applies to your principal residence and up to five acres, if zoning requires a larger parcel size.

Under this program, you pay no property tax until the home is sold. The state pays the deferred taxes, and in exchange, receives a lien against the property equal to the amount of owed taxes plus 8 percent. Total taxes are collected when the property is sold or passed on.



HOW TO APPLY FOR PROPERTY TAX BREAKS

For information on both property tax exemptions and deferrals, call your county assessor, or you can obtain more information about our state's property tax laws by calling the Washington State Department of Revenue toll-free at 1-800-647-7706.

Are you getting the tax breaks you deserve?

Did you know you may qualify for property tax exemptions if you meet all of the following criteria:

- You are at least 61 years of age or disabled
- You own and live in a single-family home, mobile home, or condominium.
- You have a combined household income not exceeding \$30,000.

Expenses for some nursing or home health care and some prescription drugs may be deducted when calculating your income. You also can remain eligible for tax breaks if your home is rented while you're in the hospital or nursing home.

Valuation limit freeze for qualified seniors

Qualifying citizens are entitled to property tax exemptions on their principal residence and up to one acre of land. The value of the residence is frozen at its value on Jan. 1 of the year in which you first qualify for the program.

Exemption schedule

You are eligible for the following exemptions if your combined household income falls within the range indicated:

<u>Income</u>	<u>Exemption</u>
\$24,001 to \$30,000	All excess levies (special school levies are an example of excess levies).
\$18,001 to \$24,000	All excess levies and regular levies on the greater of \$40,000 or 35% of assessed valuation (\$60,000 max.).
\$18,000 or less	All excess levies and regular levies on the greater of \$50,000 or 60% of assessed valuation.